

## **FISCAL NOTE**

### **SB 375 - HB 1602**

February 27, 2007

**SUMMARY OF BILL:** Authorizes the approval by the Department of Environment and Conservation of any alternative waste water treatment system which meets National Sanitation Foundation (NSF) Standard 40 requirements based upon research conducted by a research 1 institution with an accredited civil and environmental engineering program. Owners of such systems would be required to pay an annual \$50 inspection fee and would be required to submit, to the department, a contingency plan providing for sewage disposal in the event the system approved in accordance with this bill should fail. Currently, such systems are authorized by T.C.A. § 68-221-403(j) but a cap of 50 such systems is in place. The annual inspection fee, under current law, is \$100.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues – Less than \$15,000**

**Increase State Expenditures – Less than \$25,000**

Assumptions:

- 50 or fewer systems will be approved statewide each year.
- The current application fee of \$250 will apply to such systems.
- An increase in state revenues of \$15,000.  
50 systems X \$50 inspection fee = \$2,500  
50 systems X \$250 application fee = \$12,500
- It is assumed that it will cost the Department of Environment and Conservation \$500 more to review and approve plans for these systems compared to conventional septic systems. Therefore, there will be an increase in state expenditures of less than \$25,000 (50 systems X \$500 = \$25,000).
- There will be no decrease in state revenues associated with lowering the annual inspection fee from \$100 to \$50 because none of these systems have been approved in several years.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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